



On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

American Recovery and Reinvestment Act Report, Cherokee County

Cherokee County received more than \$30 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Cherokee County total.



Pell Grant Awards:
891



Small Business Jobs:
3

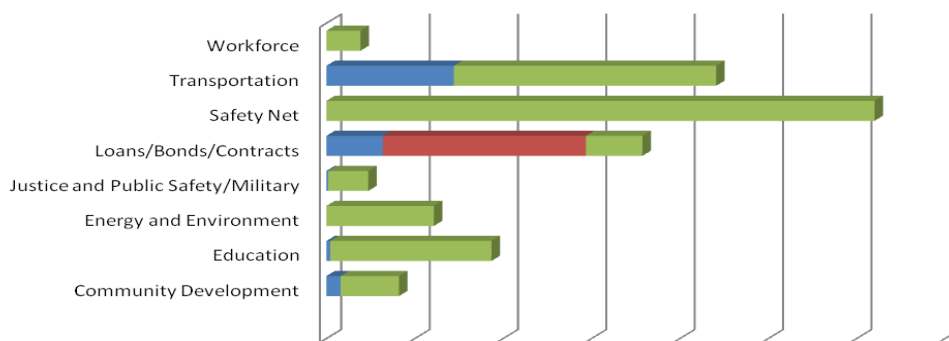


Appliances rebated:
25



Family homes financed:
16

Cherokee County Totals



Sum of Prime Awards Sum of Sub-Awards Sum of Loans/Bonds

Cherokee County,
pop 24,298 at a glance:

Recovery Act Totals:

Grants: \$25,896,964

Loans: \$2,094,847

Bonds: \$2,498,886

Total: \$30,490,697



Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

Cherokee County schools received \$6.6 million in education funding, including \$800,706 in Special Education funds, \$629,777 in Title I funds, \$2.3 million in SFSF funds, \$455,988 in Race to the Top funding and a \$1.2 million bond allocation.

Pell Grants are an educational Assistance Program that provides grants to eligible students to receive post-secondary or vocational training. Because Pell Grants are not student loans, they allow students to receive financial assistance to further education and training without incurring additional debt. The American Recovery and Reinvestment Act increased the eligibility and the maximum amount of Pell Grants in 2009 and 2010 as a way to encourage educational opportunities, and to provide a way for eligible applicants to gain new job skills.

In Cherokee County, Tri-county Community College had 891 students funded by Pell Grants; these grants were worth more than \$1 million.



Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

In Cherokee County, 16 families received assistance through this program totaling more than \$2 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the

program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

Cherokee County retailers sold 25 appliances through the Energy Star Appliance rebate program.



Small Businesses Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

In Cherokee County 2 small businesses received SBA loan guarantees worth almost \$526,000. According to the small businesses receiving these loans, the Recovery Act saved or created 3 jobs.



Farm Assistance

The Supplemental Revenue Assistance Payments (SURE) Program is administered by the Farm Services Administration in the federal Department of Agriculture, which provides assistance to farmers suffering crop losses due to natural disasters. To qualify for the program a farm must have lost at least 10% of one crop during a natural disaster in a declared disaster county, or lost 50% of a crop during a disaster in a non-disaster county. North Carolina farmers received more than \$9 million in total payments under the ARRA-Funded SURE Program.

In Cherokee County, \$51,528 was received in assistance to farmers because of crop loss to natural disasters.



CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

In Cherokee County, car dealers sold 34 cars worth \$730,000 through the ARRA CARS program.



Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

In Cherokee County, the Cherokee County Government, and Family Resources of Cherokee County received more than \$650,000 in Justice and Public Safety grants.



Environment and Natural Resources Programs

ARRA funded several programs to protect the environment, or to develop natural resources more efficiently. These programs ranged from environmental clean-up, such as leaking underground storage tank abatement and Brownfields programs, to EPA clean air grants, wildfire prevention grants, and revolving funds to build, expand, or overhaul existing water and sewer programs. These programs provided nearly \$150 million across North Carolina.

In Cherokee County, the Town of Murphy and the Town of Andrews received water and sewer grants worth more than \$2 million. In addition, the US Forest Service funded more than \$1.2 million in improvement to public lands.



Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

In Cherokee County, Tri-County Community College received an EECBG award of \$115,360 for lighting efficiency improvements in Cherokee, Graham and main campus facilities.



Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

Cherokee County residents received more than \$8.5 million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$1.8 million in SNAP benefit increases, and \$2 million in one-time payments of \$250 to social security recipients.

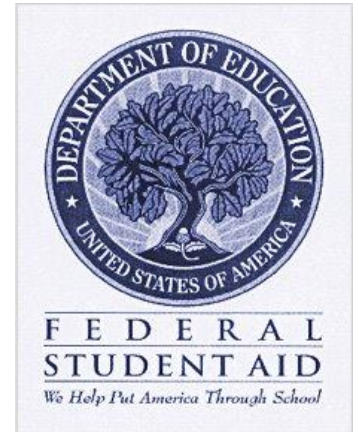
Cherokee County received more than \$143,000 for Head Start Programs.

Cherokee County Feature Story

Students at Tri-County Community College Take Advantage of Recovery Opportunities

The American Recovery and Reinvestment Act provided approximately \$100 billion for education, created a historic opportunity to save hundreds of thousands of jobs, and supported states and school districts. ARRA also advanced reforms and improvements that will create long-lasting results for our students and our nation including early learning, K-12, and post-secondary education.

The Federal Pell Grant Program provides need-based grants to low-income undergraduate and certain post-baccalaureate students to promote access to postsecondary education. Students may use their grants at any one of approximately 5,400 participating postsecondary institutions. These institutions either credit the Federal Pell Grant funds to the student's school account, pay the student directly (usually by check), or combine these methods. Students must be paid at least once per semester (or, in the case of a training program, once per trimester or quarter). Amounts awarded from Pell Grants are dependent on the student's family contribution, the cost of attendance, the student's enrollment status (full-time or part-time), and whether the student attends for a full academic year or less.



The American Recovery and Reinvestment Act allocated \$17.1 billion into the Pell Grant Program nationwide. Not only did this meet a large unmet need for eligible students who already qualified, it increased the maximum Pell award for all eligible students \$500 per semester, from \$4,850 to \$5,350. ARRA-funded Pell Grants were awarded to students in the 2009-2010 academic year. In North Carolina more than 221,000 students received Pell Grants funded through the Recovery Act. These students attended 136 different institutions across the state. In total, these grants were worth more than \$339 million.



Tri-County Community College began existence in 1964 as Tri-County Industrial Education Center, as part of the State Department of Community Colleges. The college continued to grow in the 70's and 80's taking control of existing buildings, and constructing a major new facility in 1989. Enrollment at Tri-County continued to grow each year, making new facilities for teaching and student support necessary. Tri-County Community College serves Cherokee, Clay and Graham counties from two campuses, as well as through hundreds of online classes by providing college transfer, vocational, technical, and adult education programs. Tri-County Community College offers 22 curriculum programs

along with a full slate of continuing education offerings, including accounting, nursing, office administration, welding, IT programs, and Tri-County operates a Fire and Rescue training center in cooperation with Cherokee County.

Tri-County has an enrollment of around 1,300 students. Of those, 891 received ARRA-funded Pell Grants to assist in their education in the 2009-2010 academic year. These grants were worth more than \$1 million.

Appendix, Cherokee County breakout

Federal Agency	Program Title	Recipient name	Recipient role ⁱ	Prime Amount ⁱⁱ	Unique Sub Awards ⁱⁱⁱ	Loans	Additional Economic Activity (not counted toward totals) ^{iv}
	Bonds		P			\$1,282,886.00	
		Cherokee County	P			\$1,216,000.00	
	Cash for Clunkers		S		\$145,000.00		
	Federal Pell Grant Program	Tri-County Community College	P				
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$2,039,847.00	
Administration for Children and Families	ARRA - Head Start	A 4 Home Center	PV	\$0.00		\$0.00	\$415.31
		Bob Tweed	PV	\$0.00		\$0.00	\$168.00
		Carroll's Mountainside Electric	PV	\$0.00		\$0.00	\$220.00
		Four Square Community Action, Inc.	P	\$86,975.00		\$0.00	\$86,975.00
		Gr8 Stuff For Kids	PV	\$0.00		\$0.00	\$9,600.00
		K&b Electric Company	PV	\$0.00		\$0.00	\$1,368.00
		Kaplan Early Learning Company	PV	\$0.00		\$0.00	\$6,771.00
		North Carolina Division Of Motor Vehicles	PV	\$0.00		\$0.00	\$3,909.00
		Pam Mcdonald	PV	\$0.00		\$0.00	\$6,200.00
		Reid's Lawn Service	PV	\$0.00		\$0.00	\$15,196.90
		Rick Ammen	PV	\$0.00		\$0.00	\$905.32
		Ricky Morgan	PV	\$0.00		\$0.00	\$168.00
		Smith's Carpet Service	PV	\$0.00		\$0.00	\$1,816.23
		Southwestern Community College	PV	\$0.00		\$0.00	\$1,111.76
		Tracie Shepherd-Osborne	PV	\$0.00		\$0.00	\$2,200.00
		Tri County Community College	PV	\$0.00		\$0.00	\$3,474.25
		Valwood Corp	PV	\$0.00		\$0.00	\$1,152.50
		Western Carolina	PV	\$0.00		\$0.00	\$783.99

		University				
		Williams Carpet Sales	PV	\$0.00	\$0.00	\$1,358.41
Department of Agriculture	Supplemental Nutrition Assistance Program	Multiple Individuals	S	\$1,877,295.22		
Department of Energy	Energy Efficiency and Conservation Block Grant Program (EECBG)	Tri-County Community College	S	\$0.00	\$115,360.00	\$0.00
Department of Housing and Urban Development	Community Development Block Grants - State HI	Cherokee, County Of	S	\$0.00	\$1,000,000.00	\$0.00
	Public Housing Capital Fund Formula (Recovery Act Funded)	Andrews Housing Authority	P	\$102,612.00	\$0.00	\$102,612.00
		Murphy, Town Of	P	\$155,370.00	\$0.00	\$155,370.00
Department of Justice	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	Cherokee, County Of	P	\$40,422.00	\$0.00	\$40,422.00
	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	Cherokee County Managers Office	S	\$0.00	\$254,094.32	\$0.00
		Cherokee, County Of	S	\$0.00	\$254,094.32	\$0.00
	Violence Against Women Formula Grants	Family Resources Of Cherokee County	S	\$0.00	\$360,160.96	\$0.00
Department of Labor	Unemployment Insurance	Multiple Individuals	S	\$8,500,973.84		
DOI						
Environmental Protection Agency	Capitalization Grants for Clean Water State Revolving Funds	Murphy, Town Of	S	\$0.00	\$737,800.00	\$0.00
	Capitalization Grants for Drinking Water State Revolving Funds	Andrews, Town Of	S	\$0.00	\$715,326.00	\$0.00
		Murphy, Town	S	\$0.00	\$713,721.00	\$0.00

		Of				
Federal Highway Administration	Highway Planning and Construction	Colditz Trucking Inc.	PV	\$0.00	\$0.00	\$2,426,958.00
		North Carolina Department Of Transportation	P	\$2,468,528.00	\$0.00	\$2,468,528.00
				\$416,208.00	\$0.00	\$416,208.00
		RK&K Engineering , LLP	PV	\$0.00	\$0.00	\$443.63
		Simpson Construction Co Inc	PV	\$0.00	\$0.00	\$326,281.84
Federal Transit Administration	Formula Grants for Other Than Urbanized Areas	Cherokee, County Of	S	\$0.00	\$208,900.00	\$0.00
		Eastern Band Of The Cherokee Indians	S	\$0.00	\$88,995.00	\$0.00
Food and Nutrition Service	Child Nutrition Discretionary Grants Limited Availability	Cherokee County Board Of Education	S	\$0.00	\$26,822.16	\$0.00
Forest Service	No CFDA for Contract type awards	Perry Bartsch Jr. Construction Company	P	\$175,750.00	\$0.00	\$175,750.00
		Sprinkle Surveying Inc	P	\$21,664.64	\$0.00	\$21,664.64
				\$14,691.44	\$0.00	\$14,691.44
		W W Land Surveying Pc	P	\$25,397.00	\$0.00	\$25,397.00
		Williams Construction & Cabinetry, Inc.	P	\$1,041,851.00	\$0.00	\$1,041,851.00
Idaho Operations Office	Energy Efficient Appliance Rebate Program (EEARP)		P		\$5,152.01	\$0.00
Office of Elementary and Secondary Education	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Cherokee County Board Of Education	S	\$0.00	\$2,033,305.00	\$0.00
		Learning Center, Inc	S	\$0.00	\$96,736.00	\$0.00
		Tri-County Community College	S	\$0.00	\$233,838.94	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Cherokee County Board Of Education	S	\$0.00	\$455,988.00	\$0.00
	Title I Grants to Local Educational	Cherokee County Board Of Education	S	\$0.00	\$614,280.00	\$0.00

	Agencies, Recovery Act						
		Learning Center, Inc	S	\$0.00	\$15,497.00	\$0.00	
Office of Special Education and Rehabilitative Services	Special Education - Preschool Grants, Recovery Act	Cherokee County Board Of Education	S	\$0.00	\$29,057.00	\$0.00	
	Special Education Grants to States, Recovery Act	Cherokee County Board Of Education	S	\$0.00	\$735,538.96	\$0.00	
		Learning Center, Inc	S	\$0.00	\$36,110.04	\$0.00	
Rural Housing Service	Community Facilities Loans and Grants		P	\$64,700.00		\$0.00	\$64,700.00
Small Business Administration	Loans	Mountain Limo, LLC	L			\$50,000.00	
		Murphy Environmental And Land	L			\$5,000.00	
SSA	Social Security Economic Recovery Act Payments	Multiple Individuals	P		\$2,028,750.00		
USDA							
Grand Total				\$4,614,169.08	\$21,282,795.77	\$4,593,733.00	\$7,424,671.22

ⁱ Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

ⁱⁱ Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to www.federalreporting.gov

ⁱⁱⁱ Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

^{iv} Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.